

Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

August 16, 2007

Mr. Clark Prothero W. W. Clyde & Co. 1275 North Main P.O. Box 350 Springville, Utah 84663

Subject: Notice of Permit Release, W. W. Clyde & Co., Lavon Giles Pit, S0130009, Task ID# 465,

Duchesne County, Utah

Dear Mr. Prothero:

The Division finds reclamation work complete for the Lavon Giles Pit; permit number S0130009, located in Beaver County, Utah. The permit is now released.

The Operator, Gemstone Mining Inc., has performed all obligations under the terms of the agreement, and have satisfactorily reclaimed the disturbed lands in accordance with the Notice of Intention to Conduct Mining Operations (NOI) and faithfully performed all requirements according to the Utah Mined Land Reclamation Act, and associated rules.

Therefore, please find enclosed the executed documents for permit number S0130009:

- Reclamation Contract, original;
- Bond Release Findings, original;
- Corporate Surety Bond, original

If you have any questions or concerns regarding this action, please contact Reclamation Specialist, Mr. Paul Baker (801) 538-5261 or Surety Coordinator, Mr. Jed Pearson (801) 538-5382. Thank you for your efforts in completing the reclamation work associated with this project.

Sincerely,

Susan M. White

Mine Program Coordinator Minerals Regulatory Program

SMW:JP:pb

Enc: reclamation contract original, corporate surety bond, original, bond release findings, original, corporate surety bond, copy Cc: Jed Pearson, OGM

Paul Baker, OGM

Mary A., Travelers Casualty and Surety Company of America PO BOX 173713 Denver, CO 80217-3713 w(corporate surety bond, copy)

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